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BRITISH CONSPIRACY TO BLOCK FREEDOM BLASTED BY GANDHI

Cripps' Proposal Unacceptable —Suppression of Indian Aspiration Must Be Crushed

Domei

LISBON, July 14.—Mahatma Gandhi again took up the struggle for India's freedom with the declaration issued today at Bombay in which he stated that the "proposal made by Sir Stafford Cripps regarding India is unacceptable to me since it means the almost perpetual vivisection of India," according to a Bombay dispatch.

"Freedom in India is long overdue," Gandhi said, "but it would have been effectively blocked if Cripps' proposals had been carried out. I am convinced that Mohamad Ali Jinnah, President of the Muslim League, will raise no obstacles against my stand, but the British Government simply does not desire a just solution of the Indian claims for independence and is using Jinnah merely as a pretense for withholding freedom."

Gandhi then charged that "this diabolical conspiration and suppression of India's aspirations must be crushed by all justly thinking people."

Has Plan for Indian Regime

Domei

LISBON, July 13.—Mahatma Gandhi, leader of the national independence movement in India, who on close consultation with Chakravarti Rajgopalachariar, former Premier of Madras, and others some time ago put forward proposals for collaboration between the Hindu and the Muslim population of India, is reported in a Bombay dispatch to have made a further move on the matter on July 13 by making it clear that he has plans ready for the organization of an Indian national government.

As for the Mahatma, he holds that his present proposals do not go beyond the presentation of private views and that he will have to confer with the executive committee of the Indian National Congress before he can take further action in the matter.

The substance of Mahatma Gandhi's statement follows:

"For the present, one may be content with a national government with full authority in matters related to civil administration in India.

"The national government would be formed by Cabinet members elected by the members of the Central Legislative Council. It would declare independence, subject to the condition that it would prevail for the duration of the war.

"The Governor-General of India would occupy a position similar to that of the King of Great Britain and Ireland. As to matters related to the planning and the execution of military operations, the Governor-General and the Supreme Commander of the British forces in India would hold the complete prerogative of supreme command. There must be a full recognition of the right of the national government to tender advice on military matters and to make comments upon them.

"The Defense Minister would be under the supervision of the national government and matters related to pure defense in India should be his exclusive concern."

TURKISH ABILITY DOUBTED

Nation Is Poor Guardian of Dardanelles, Says Article in Daily Mail

Domei

BERLIN, July 14.—The comment that Turkey is a poor guardian of the Dardanelles appearing in an article by Tarsson in the London Daily Mail has aroused a good deal of attention because it not only confirms but, in fact, approves, of the Soviet claims on Northern and Southern Europe as well as on these strategic Straits, the Wilhelmstrasse spokesman stated today.

Local circles are of the opinion that the fact that the Soviet news agency, Tass, had spread these statements testifies to their political importance.

Reich Lauds Hasegawa

Domei

BERLIN, July 14.—The heroic death of Vice-Admiral Kiichi Hasegawa of the Japanese Navy in the War of Greater East Asia was prominently played up in the front pages of the German newspapers today.

Pearl Harbor Fiasco To Be Probed in U.S. By Navy Department

Domei

LISBON, July 14.—Complying with the terms of the congressional resolution in which James Forrestal, U.S. Secretary of the Navy, was directed to "proceed forthwith with an investigation into the facts surrounding the catastrophe," Forrestal today ordered a court of inquiry to study the circumstances of the attack on Pearl Harbor on December 7, 1941, according to a Washington dispatch. Forrestal said that the court of inquiry was headed by Admiral Orin G. Murfin as president and will convene at the Navy Department on July 17.

BRITAIN IS BLAMED FOR INDIAN FAMINE

Committee of 27 Leaders Say Food Crisis Faces India During Coming Months

Special to the Nippon Times

LISBON, July 15.—The Indian Government is charged with not having taken adequate steps to guard against the repetition of last year's famine conditions, a committee of 27 prominent British leaders declared in issuing a manifest on India's food situation, it was disclosed by the Daily Herald in a leading article entitled "India," according to a London report received here.

The committee stated that India faces a "grim prospect in the coming months" and should these conditions occur again, the members asserted that the responsibility rests on the London authorities.

Furthermore, they said that this complaint should be taken up in Parliament immediately. Regarding the famine last year, the members asserted that the "primary and statutory responsibility" was laid to the Indian provincial governments "where those governments have enjoyed self-governing administration."

"This feeble attempt at disclaiming liability is not doing anything whatever to enhance the good name of Britain," the committee said. "The world sees the position in this way—that Britain is actively concerned in measures to bring relief to the occupied countries of Europe. Also Britain is an enthusiastic subscriber and agreed upon at the Hot Springs Conference of the production and distribution of food. The conference also discussed plans for raising nutrition standards throughout the world."

"However, Britain is also in complete control of India where vast sections of the inhabitants are even now underfed, where a frightful famine occurred last year and where, according to a manifest issued by a group Indian leaders, a renewed famine is threatened," the Committee continued.

"The situation is not one which can be endlessly met by the tactics of Leopold Amery, Secretary of State for India, on pin pricking the provincial governments, nor can it be left to the central authorities in Delhi. If the remedies so far applied have been inadequate, the fault lies with Whitehall. It is for Amery to prove to Parliament that he has done and is doing his duty."

24 AMERICAN BOMBERS DOWNED OVER MUNICH

Many Forced to Land in Neutral Territory; 12 Raiders Lost in Budapest

Domei

BERLIN, July 14.—The American air force lost 24 bombers during its third terror attack against the residential quarters of Munich despite unfavorable weather conditions. Several enemy machines were also damaged and were forced to land in neutral territory.

Again the Americans attacked non-military targets, most of the bombs landing on cultural monuments, hospitals and tenement houses.

Meanwhile, concerted action by German and Hungarian fighter planes accounted for 12 enemy planes shot down when approximately 600 American bombers under strong fighter escort at forenoon today penetrated Hungarian territory from Italy and raided the Budapest area and the region to the east.

GERMAN UNITS FREE GARRISON ENCIRCLED BY SOVIETS AT VILNA

Liberated Troops Fight Way Back to Reich Lines After 5 Days of Bitter Fighting

Domei

BERLIN, July 14.—Liberation of the German garrison at Vilna which had been fighting for the past five days was carried out yesterday by motorized troops which broke through the Soviet positions and then, together with the defenders, fought their way back to the German lines after all important war installations had been destroyed.

In the five days of embittered battle against superior Soviet forces, the German garrison at Vilna destroyed altogether 73 tanks, 13 assault guns, 29 howitzers and a large number of infantry guns.

The whole garrison, yesterday noon, reached the German fighting group ten kilometers west of Vilna which, in the course of the day, was reinforced by tank formations arriving from Kaunas, east of which, fierce Soviet attacks are being repulsed at present.

Except for this event, the situation on the Eastern Front did not change essentially as German resistance has remarkably stiffened everywhere.

In the northern sector, the withdrawal of the frontline between Pskov and Dvina was continued. This movement not only aims at the better protection of the Baltic states, but also to the consolidation of the southeastern bolt positions at Dvinsk. In the course of disengagement movements, hard fighting ensued, especially in the region between Idriza and Novorshev. Soviet attempts at disturbing the German disengagement movements by local tank thrusts were foiled everywhere and all dents were checked.

Soviet Attacks Repulsed

At Dvinsk, the focal point of the battle on the Eastern Front, Soviet troops, time and again, are trying to attack the German bolt positions from the southeast from the lake country and from the southwest from the Utena sector. Although the attacks are supported by strong artillery preparation only isolated dents were achieved, which, however, were sealed off or checked by the German troops. The barrier positions of Dvinsk remained firmly in German hands.

Another focal point developed in the front positions the Germans had established north and south of Grodno. There, strong Soviet infantry and tank formations attacked frontally from the region of Lida-Novo Grodok, but were soon grounded by concentrated German artillery and mortar fire.

In the central sector German troops evacuated Pinsk on the Pripet without pressure from the Soviets. Withdrawal of the German troops was made according to plan to link up with the German barrage positions established east of Byalistok behind the Szczara River.

On the southern sector front, only local reconnaissance activities were reported. Soviet battalions on reconnaissance missions which penetrated German positions were thrown back to their original positions in counter-attacks.

German troops also evacuated from Luzk to new positions. Soviets yesterday attacked with several rifle divisions and a tank brigade to disturb detaching movements, but were frustrated.

4-POWER MEET PLANNED

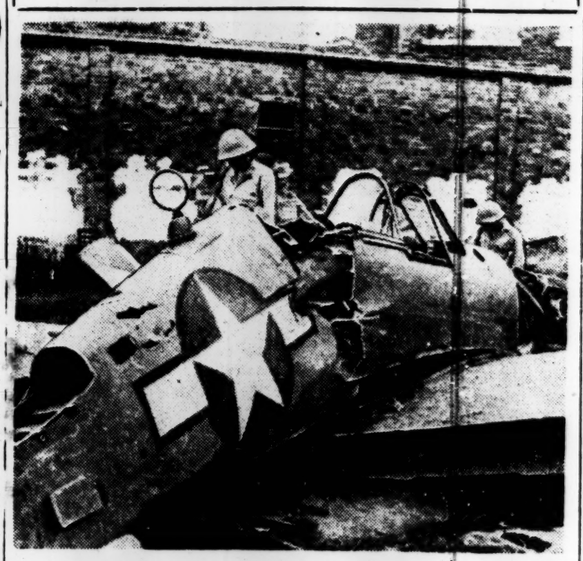
Hull Declares Conference Being Held in U.S. This Summer

Domei

LISBON, July 13.—Regarding the forthcoming Four Powers' Conference including the United States, Britain, the Soviet Union and Chungking, Cordell Hull, U.S. Secretary of State, is reported to have declared at yesterday's press interview that some kind of an announcement would be made during this week, according to a Washington dispatch.

It is further revealed that Britain and Chungking have expressed their readiness to attend the Conference. As to the Soviet Union, Hull stated at last week's press interview that the reply of the Soviet Union is reported to have already reached Washington and that the Four Powers' Conference would be convened in America sometime this summer.

Shot Down by Japanese



Close by the walls of Changsha, a P-40 plane of the U.S. air force in China, blasted in an aerial combat with Imperial Japanese planes, makes its final crash landing. Photo by Cameraman Saito of the Military Press Corps. (Passed by the War Ministry)

BRITAIN ATTEMPTS TO COERCE TURKEY

Report States British Urging Ankara to Cut Diplomatic Ties With Reich

Domei

ANKARA, July 14.—Fresh rumors are current here to the effect that the British are planning to strengthen their alliance with Turkey. It is alleged that the British are even going so far as to demand that Turkey sever her diplomatic relations with Germany. There are, however, no concrete indications available as yet regarding this issue from Turkish political circles.

Concerning the appointment of a new foreign minister which was debated by the Turkish Government on Monday, Professor Muzaffer Goeker seems to have the best chance of being appointed. Professor Goeker was recently appointed Turkish Ambassador to Japan, but has time and again postponed his departure for Japan.

Reports on the movements and concentrations of the British fleet in the eastern Mediterranean are being discussed by Turkish observers. In their judgment of Germany's military situation, these observers emphasize that the Reich has not yet been weakened on the war fronts or on the home front. The holiday trip of Saffet Arikan, Turkish Ambassador to Berlin, who is now in Ankara has confirmed and deepened this impression.

Turkey Resists Pressure

Domei

BERLIN, July 14.—The lack of decisive military successes on the invasion front has forced Prime Minister Churchill and President Roosevelt, the latter in particular because he needs diplomatic and political successes for his election campaign, to renew pressure on Turkey, Dr. Paul Schmidt, Chief of the Press Department of the Wilhelmstrasse, declared today.

He said that since the Adana, Teheran, and Cairo conferences, the anti-Axis had time and again attempted to drag Turkey into the war. However, he said, Turkey had resisted all these efforts.

Continuing, Dr. Schmidt declared that not only the Anglo-Americans but also the Soviets were exerting pressure on Turkey, and the question remained unanswered as to whether Moscow was acting independently from London and Washington.

The Turkish Government has repeatedly stressed its determination not to be dragged into the war, Dr. Schmidt stressed, adding that for the time being there is no reason to assume that Turkey will change this attitude.

Meanwhile, the Wilhelmstrasse spokesman, in answer to a question, declared that Franz von Papen, Reich Ambassador to Turkey, is still staying in that country in the summer residence of the German Embassy. He added that nothing is known here about the rumor that Ambassador Papen would return to Berlin. Political circles here describe the trip to Ankara by Saffet Arikan, Turkish Ambassador to Berlin, as a "routine visit," the spokesman added.

COMMONS DEBATES ON SECRET WEAPON

Attlee Bans Camera Session With Excuse Nothing New To Reveal to House

Domei

LISBON, July 14.—Exactly a week after Prime Minister Winston Churchill's statement about the German secret weapon, heated debate ensued in the House of Commons yesterday during which session Clement Attlee, Deputy Prime Minister, had to defend the Government against sharp reproaches, according to a London dispatch.

The demand was raised by many members to hold a secret session which was rejected by Churchill's representative with the statement that "at the present moment the Prime Minister sees no possibility to add something useful to his statement." This statement created a turmoil among the members. Thereupon, the Speaker intervened and even forbade reporting on the debate, which was revoked three hours later but some remarks by the members were still forbidden to be published.

Attlee then told the House: "The Government will meet the desire of the House if they make respective representations." This assurance was obviously caused by Labor member Emanuel Shinwell's question "If you don't deem it desirable to discuss the matter publically and if on the other hand there is no desire to hold a secret session, what steps can then be taken by the members of the House to discuss this matter?"

Lord Winterton was also one of the leaders in the debate who demanded from the Government information about their counter-measures against the German secret weapon.

More Londoners Evacuating

Domei

STOCKHOLM, July 14.—The present evacuation of London has assumed greater dimensions than during the time of blitz winter in 1940-41, the Aftonbladet correspondent in London stated today.

He said that by this week-end an estimated 170,000 mothers and children will have left London in addition to thousands of others who left without Government support. Londoners believe that the evacuation will continue the coming weeks.

The Swedish correspondent also reported that London pharmacies are besieged for sedatives by people feeling the sudden urge for committing suicide. In all these cases, it proved that the persons a few hours earlier had been close to where the V-1 had exploded.

Von Kluge Inspects Front

Domei

BERLIN, July 13.—Field-Marshal Gunther von Kluge, new Commander-in-Chief of the German Army in the Western Front, made a tour of inspection lasing several days along the channel coast after having taken over his new post, according to reports from the Western Front. He inspected with particular care the section of the coast between Dunkerque and Abbeville and felt convinced of the determination of the German soldiers there.

JAPANESE IN N. CHINA REACH NEW DECISION TO AID WAR EFFORTS

Structure Wholly Independent Of Resources From South To Be Constructed

Domei

Peking, July 15.—A conference of Japanese diplomatic representatives under the jurisdiction of the Japanese Embassy in Peking and army representatives was held at the local Embassy at 9 a.m. on July 14, attended by Minister Kiyonobu Shiozawa, bureau and departmental heads of the Embassy, two commanders from the Japanese Army in North China, Consuls-General and Consuls in Peking, Tientsin, Tsinan, Tsingtao, Shihmen, Taiyuan, Kaifeng, Changtien and Tongshan as well as the proxy of the Japanese Consul General at Suchow.

The conference was opened with the observance of the Japanese national group rites, following which Minister Shiozawa addressed the gathering on the determined attitude that the people of North China should adopt toward the present war situation. Afterwards, various emergency measures for increasing production and promoting transportation in wartime were discussed, when the gathering unanimously passed the following resolution:

Independent of South

1. Extraordinary Measures for the Increase of Fighting Power.

In order to establish a structure to successfully carry on the War of Greater East Asia using the resources of North China if southern resources are cut off, the effort to increase production and to perfect transportation of necessary materials is to be intensified to a much greater extent than has hitherto been known.

At the same time measures are to be taken to ensure that the stocking up of foodstuffs shall be ample. Efforts are to be made to secure a bigger volume of Chinese labor.

Will Surpass Demand

Resident Japanese are to be reorganized and a general mobilization enforced of students and construction corps. In short, everything will be done to surpass the demands made by Ginjiro Fujihara, Minister of State, who has recently inspected North China.

2. Cooperation with Various Related Facilities.

In order to expedite the various tasks just outlined, cooperation of the North China Army is quite important. Complete unity with the North China Political Affairs Commission must also be established. Especially in regard to the problem of labor, we shall work in the spirit of 'living or dying together' with Wang Keh-min, chairman of the Commission.

3. Determination of Japanese Residents of North China.

In consonance with the categorical imperative charged upon North China, a total rousing of the 400,000 Japanese residents will be promoted so that they will unflaggingly work to strengthen our national fighting power, unaffected by the momentary ups and downs of the fortunes of war. Mere condemnations or criticisms of the important measures of the authorities will not be permitted but legitimate views should be recommended to the authorities positively and constructively. The 400,000 Japanese must go hand-in-hand with the 100,000,000 Chinese of North China to act in unison toward the clearly marked-out goal.

YIOJIMA RAID REPULSED

Two Attacking B-24's Routed—Foe Also Appears Over Omiyajima

Special to the Nippon Times

CENTRAL PACIFIC BASE, July 15.—A total of 85 enemy planes attacked Omiyajima Island (Guam) yesterday. In the waters around the island, a considerable number of anti-Axis aircraft carriers, battleships, cruisers, and destroyers are still in action.

Two enemy B-24 heavy bombers attacked Yiojima Island, south of the Ogasawaras, but were routed.

Congress Member Released

Domei

LISBON, July 14.—Gangadhar Kher, former Prime Minister of Bombay and local leader of Congress, who was arrested with Mahatma Gandhi and other Congress leaders after their adoption of the "Quit India" resolution in August, 1942 was released from detention today, according to a report from Poona. He is the first Congress ex-Premier to be released.

Concession Return By Italy Celebrated By Tientsin Citizens

Domei

TIENTSIN, July 14.—With the Italian and Chinese flags hoisted at the doorway of every home, Tientsin today celebrated the return to the National Government of China of the Italian Concession here, which is the last Italian concession in China. The construction of New Tientsin, which has been in progress since Japan and Vichy returned their concessions, has been given the finishing touches with the return of the Italian Concession. The Italians had held this concession in China for the last 42 years.

U.S. PAPERS BLAST F.D.R.'S CANDIDACY

Point Out Failure in Administration; President Dreams Of Setting Up 'Dynasty'

Domei

LISBON, July 14.—President Roosevelt's decision to run again for presidency is received critically and calmly by the majority of influential American papers, according to a Washington dispatch.

While a section of the press criticizes Roosevelt for failure in administration and internal politics, others as for instance, the Washington Post blames him for having broken George Washington's sacred tradition of serving no more than two terms, the report said.

It added that the majority of the papers particularly emphasize that Roosevelt offered his service for the next four years less as a President than as Commander-in-Chief of the United States armed forces which they pointed out presents a sharp contrast to Governor Thomas Dewey of New York, Republican candidate for President, who stressed that the war must be kept from the presidential campaign as civilians ought not to interfere with military matters.

The Baltimore Sun of July 12 asked whether it was actually necessary for Roosevelt to don the "war-lord's cloak when making his statement." It pointed out that thereby the President completely obliterated the necessary distinction between civil and military functions.

Referring to the President's dictatorial control, the New York Herald Tribune declared that "12 years are too many," while the New York World Telegram wrote that "Roosevelt's contention that he at this time is indispensable is his main strength, but also his main weakness."

The New York Daily News stated that if Roosevelt should be elected because he is indispensable then "he had better be made a Monarch right away." The same paper a few days ago half ironically warned that Roosevelt's dream is to establish a "dynasty" and make his eldest son, James, Crown Prince and King of the Northeastern States; the second son, Elliott, King of California and Texas; third son, Franklin D. Jr., King of the Southern States, and fourth son, John, King of the remaining American territories.

Rift Among Democrats Seen

Special to the Nippon Times

LISBON, July 13.—Mayor Edward Kennard of Chicago, veteran Democratic leader, told an Associated Press reporter today that the coming Democratic National Convention will not be a mere gathering as he looks forward for a battle in several issues but he did not elaborate on them, according to a report received here.

FRENCH POLICY UPHELD

Vichy Cabinet Unanimously Approves Government Stand

Domei

BERLIN, July 13.—The French cabinet council which met under Premier Pierre Laval at the Hotel Du Parc yesterday afternoon unanimously approved the Government's statement according to which France's policy is directed and guided, a Vichy dispatch said today.

On this occasion Premier Laval stressed that "there can be no other policy for France than that which was defined on June 6."

Stimson in Normandy

Domei

STOCKHOLM, July 13.—Henry Stimson, U.S. Secretary of War, who recently arrived in England from Italy, today reached a certain base in Normandy to inspect the fighting front in northern France, according to a London dispatch.

NIPPON UNITS PIERCE HENGYANG DEFENSES; TANCHUK FOE RAIDED

Japanese Success, Following Heavy Bombardment, Admitted In Chungking Communique

Domei

LISBON, July 15.—Chungking military authorities last night issued the following war communique, according to a Chungking dispatch:

"Following up the bombardment of Hengyang which had been carried out during the past several days, the Japanese on the night of July 12 again opened up a furious shelling and bombing attack after which Japanese land units penetrated the Chungking defense lines. Receiving reinforcements, the Chungking defenders attempted to stem the attackers.

"On the Kwangtung Front, the Japanese troops advancing northward along the Canton-Hankow Railway made a forced crossing of the Lien River at a point 20 kilometers south of Yingtak and, continuing their drive forward, broke through the numerous obstacles lying in their path of advance toward the walled town of Yingtak."

Concerning the aforementioned war communique, the Associated Press correspondent said that the Chungking military authorities had declared that the Japanese in Hunan Province are preparing for a new offensive, and they predicted that fierce battle may be expected in the forthcoming week.

Although the Chungking military authorities report that no confirmation has been received from the front regarding the occupation of Laiyang by the Japanese, it is evident that the Chungking report is false from the fact that the American 14th Air Squadron in China had already bombed Laiyang, the A.P. scribe stressed.

On the Kwangtung Front, the Japanese troops on the western side of the Canton-Hankow Railway are still continuing their advance toward Yingtak, a vital keypoint 110 kilometers north of Canton, the correspondent added.

Tanchuk Again Blasted
By J. TSUTSUMI
Of the Military Press Corps

CONTINENTAL BASE, July 14.—Taking advantage of the moonlight, a formation of crack Japanese Army bombers, in the small hours of Friday morning, again stormed over Tanchuk airfield in Kwangsi Province and in defiance of furious enemy A-A gunfire, dropped huge bombs on the enemy aircraft and military facilities on the ground. After inflicting heavy damage, all the Japanese planes returned safely to their base.

Enemy Planes Heavily Hit

Since July 1 up to the present, the Imperial Japanese Air Units in China have shot down, damaged or set ablaze a total of 280 American planes. This considerable loss of enemy planes, coupled with the destruction of enemy bases, has undoubtedly dealt staggering blows to the American air force in China.

As was announced by the Imperial Headquarters on Friday, the Japanese Air Units in China at daybreak of July 13 surprise-attacked Kwellin in Kwangsi Province and damaged or set ablaze a total of 89 enemy planes, besides blasting and setting ablaze eight air establishments on the ground. The gaining of such brilliant results at one time in the attack of only one base is the first to be recorded since the commencement of the continental air operations.

The American air force in China, whose area of operations is being gradually shortened by the constant and relentless Japanese air and land operations, is frantically attempting to regain its lost positions. With three bases of Chihkiang, Kwellin and Tanchuk in the western side of the Canton-Hankow Railway as their first line bases for raiding Japan, the enemy is trying to defend these points at all costs. However, the Japanese Air Units, which had already occupied such important air bases as Changsha, Siangtan and Hengyang, are not giving the enemy a chance to regain his lost positions, and are carrying on incessant furious attacks on the enemy bases. It will be recalled that on July 10 the Japanese Air Force attacked Kwellin and damaged or set ablaze 28 planes, and in the raid on Tanchuk on July 11, six planes were either damaged or set ablaze, and 51 enemy planes were also damaged or set ablaze when the Japanese surprise-attacked Chihkiang on July 12. (Continued on Page 2 Col 5)

MAIN U.S. AIR FORCE WIPED OUT IN CHINA

Japanese Planes Account for 557 Enemy Aircraft in Little Over 3 Months

A total of 557 enemy planes, representing the whole of the strength, in terms of planes, which the American air force in China considers it necessary to have for effective warfare, have been accounted for by the Japanese Air Units in a little over three months of fighting in China. This virtual destruction of the main strength of the American air force in China must be something which even America, with her much boasted possession of vast resources of war materials, cannot contemplate with equanimity.

In April, 40 enemy planes were either shot down or damaged, in May, 160, and in June, 200, with a noticeable increase in July, more than 100 enemy planes having been brought down in the short space of nine days from July 3 to 11. Then there was the surprise attack on Chihkiang in which a total of 51 enemy planes were set afire.

Throughout the present campaign, air units and land forces have worked in perfect unison. Those units which are advancing southward along the Canton-Hankow Railway have already broken through the line of defense toward Leiyang, to the south of Hengyang. Other units which are marching northward have reached the neighborhood of the Lien River, and there is now a distance of only 250 kilometers between them and the southward moving forces.

The surprise attack on Chihkiang smashed a total of 51 enemy planes setting them afire.

In the North China area, the Japanese Forces have reduced Loyang and wiped out the Lushih airfield. In the South China area, they have taken possession of Changsha and the Hengyang airfield. These places are now doing service as advance bases for the Japanese.

Especially the fall of Hengyang airfield was a heavy blow to the enemy. Before its fall, it had formed an important link in the chain of enemy air bases in Central and South China. Now that it has gone, the enemy is without means of supplying his air bases to the east of Hengyang, the more important of which are situated at Kienow, Suichwan, Yushan and Lishui.

Other Bases Taken

As regards the enemy air bases west of Hengyang, those in proximity to the city are also now in Japanese hands.

It is evident that the enemy must, of necessity, move the main body of his air force in China farther inland to the southwest with Kunming as the center. Likewise he will have to rely on his bases at Kweilin, Tanchuk and Chihkiang as first-line bases whereas before the Japanese advance they were being used only as second-line bases.

The distance between Kweilin and Kienow is 850 kilometers, between Loyang and Chengtu, 930 kilometers, but the American air force is compelled to move all its first-line bases inland for a distance of 1,000 kilometers.

There are two motives prompting the American air force to endeavor to advance its first-line bases to eastern China. One is the desire to secure a suitable base from where it can make air raids on the Japanese mainland; the other is to threaten Japan's lines of communications by water. But there is also another consideration actuating this effort to advance eastward. The American air force is conscious of its mission to lead the way for Nimitz's offensive on the Pacific front to the coast of China.

There was a time when the American air force thought to advance toward the sea from its bases at Kienow and Lishui and establish connections with Nimitz's forces at Taiwan and in the waters east of the Philippines. Its object was to gain control of all the southern waters and then assist Nimitz's forces to reach the southeastern coast of China. With the continued success of the Japanese Forces in reducing one air base after another, the enemy has been forced to drastically revise his plans.

It is difficult for the enemy to make a further retreat inland. Such a retreat would lead to the end of the "reason for being" of the American air force in China. That is why of late the enemy has been making efforts to defend the line in order to retain Kweilin, Tanchuk and Chihkiang. In fact numerous planes are concentrated at these bases. It seems that the American air force is endeavoring to mass together from 600 to 700 first-line planes.

There is growing disquiet in America over the turn in the China war situation as may be seen from the attitude taken by Major-General Claire Chennault, Commander of the American Air Force in China, in the discussion of activities on the continental front. At this discussion he predicted that the Japanese Forces would build an iron wall of defense extending along the 2,300 kilometer stretch of railway between Peking and Canton, and that in the event of this project being realized, the American air force in China would find itself in the gravest difficulties with the result that the settlement of the War of Greater East Asia will be postponed indefinitely.

Enemy's P-51 Fighters Beginning to Feel Strength of Japanese Air Power in China

By J. TSUTSUMI
Of the Military Press Corps

CONTINENTAL BASE, July 13.—Among the many American aircraft falling prey to the ubiquitous Japanese Army Air Force on the continent, North American "Mustang" P-51's have recently come to receive the increasing attention of Japanese airmen.

The United States in its desperate efforts to resist the Japanese pressure on the continent is using the high-speed Mustang fighters to operate against Japanese land forces and to counteract Japanese air units. For all their high performance, however, they are proving no match for the superb Japanese Shokis and Hayabusas and the superb skill of those manning them.

P-51's have water-cooled engines and are shaped much like P-40's but owing to the fact that their radiators are below the pilots' seats the belly of the fuselage swells. The maximum speed is 600 kilometers per hour at an altitude of 6,000 meters, which is slightly higher than that of the P-40's. They are armed with six 12.7 millimeter guns.

Besides being used as fighters, they are also assigned to attack duties, carrying small bombs. In fact on the South China front, because the regular bombers cannot operate freely owing to the air-mastery of the Japanese fighters, the enemy has often used P-51's to attack Japanese positions. After releasing their bombs, they would beat a hasty retreat but neither their fighting spirit nor skill is to be despised. They come attacking a single point about four times a day and when intercepted by the Japanese they often give battle.

This, however, is precisely what the Japanese want and each time they take a heavy toll of the enemy. Thus over South China battlefields, the Japanese shot down four and damaged two P-51's, among others, in three days from July 10. In the process, the Japanese suffered only one plane hit but which was able to return to its base without mishap. This shows the extent to which the Japanese are taking the upperhand in this area.

ANTI-AXIS ADVANCE IN ITALY IS HALTED

Anglo-Americans Fail to Gain Vital Ground; De Gaullists Repelled at Poggibonsi

Domei

BERLIN, July 14.—While for more than a week German positions in middle Italy have remained unchanged, the main center of fighting yesterday was again in the hotly-contested Volterra area, north of Lake Trasimeno and on both sides of the Tiber where violent battles developed, but neither the British nor the Americans succeeded in gaining important ground.

In the western sector, fighting fluctuated in the area north of Volterra while at Poggibonsi, De Gaullist formations repeatedly attacked without success. German troops in a surprise counter-thrust succeeded in pushing back the enemy and recaptured the dominating height positions south of Poggibonsi.

Most violent struggle again took place on both sides of the Tiber where the Indian rebel troops continued fighting for Monte Castiglion but were repulsed with severe casualties to the enemy.

Meanwhile, strong American tank pressure continued on the Ligurian coast which was revived again today.

Brescia Blind-Bombed

Domei

BERLIN, July 14.—Brescia, located 90 kilometers east of Milan, was attacked twice within the past 24 hours by Anglo-American air forces which in blind bombing heavily damaged the residential quarters, according to a Milan report.

In addition, several hospitals were destroyed, while the famous cathedral dating back to the 17th century was still burning this morning.

The Anglo-American raid was further extended to several communities in the Mantua, Forli and Genoa Provinces.

INDUSTRIAL PROGRAM FOR MEXICO REVEALED

Joint Announcement With U.S. Made—Designed to Boister Internal Economy

Domei

LISBON, July 13.—The United States and Mexico today made a joint announcement of the elaborate plans for the industrialization of Mexico and for full cooperation in the prosecution of the war, according to a Washington dispatch.

The program which was concluded after six days of negotiation between Cordell Hull, U.S. Secretary of State, and the Mexican Foreign Minister, is designed to bolster Mexico's internal economy and head off the inflationary threat arising from some $600,000,000 in excess war-born purchasing power.

It looks toward increasing consumer capacity and raising the standard of living of the masses by increasing productive capacity and the carrying forward of irrigation, hydro-electric and road building projects.

The United States under the plan will export to Mexico trucks, trains, freight cars, and transports as well as assist the industrialization of Mexico including production of steel, rubber, cement, spinning, paper-making and other fields of endeavor.

Fuehrer's Headquarters

July 14

The heavy retaliation fire against greater London is still going on.

In the western part of the Normandy landing head, the Americans threw fresh formations into the battle and continued their attacks with the focal point in the direction of St. Lo. In the course of the bitter fighting the enemy made an insignificant gain of ground in some sectors at the price of heavy losses. He did not succeed, however, in achieving the planned break-through and heavy fighting continues with unabated vigor.

Our naval forces operating off the Dutch coast set afire two British E-boats, while one of our patrol boats was lost.

In Italy, the enemy yesterday restricted his activity to attacks in the area north of Volterra and both sides of the Tiber in the Citta di Castello sector. All day long embittered fluctuating fighting for several heights took place and although the enemy employed strong forces and large quantities of material, his gains in terrain were insignificant. In the rear of the front and in the upper Italian area, several enemy bands and sabotage groups were wiped out.

In the southern sector of the Eastern Front, German and Hungarian formations in the Kolomea area repulsed Soviet thrusts.

West of Luzk, our divisions systematically detached themselves from the front salient and repulsed all enemy attacks against our new positions. In the course of our detaching movements in the district of the Pripet swamps, which were carried out undisturbed by the enemy, the town of Pinsk was evacuated. In the central sector, our divisions foiled further Soviet break-throughs. The focal points of the fighting were east and north of Grodno, where strong enemy tank infantry and cavalry formations were halted.

Our garrison at the old Lithuanian capital of Vilna under the command of Lieutenant-General Stahel, after five days of resistance against superior enemy forces, broke through the Soviet ring of encirclement according to orders and fought its way to the German troops stationed west of Vilna under the command of Colonel Tolsdorf. The tenacity and courage of these two fighting groups deserve highest praise. The Flak Detachment of the Luftwaffe under the command of Captain Mueller particularly distinguished itself in the fighting for this town.

South of Dvinsk between the Dvina and Lake Peipus, numerous Soviet attacks were frustrated and local dents sealed off. Our battleplane formations effectively joined in the ground operations yesterday, destroying in low-level attack numerous enemy tanks, guns and vehicles.

American bombers yesterday carried out another terror attack on Munich and 29 enemy machines were brought down by our air defenses.

Several British machines dropped bombs on the Rhenish-Westphalian district last night.

BRITISH MILK SUPPLY LOW

Attributed to Disappointing Crops; Potato Output Declines

Domei

LISBON, July 14.—Londoners will face a prospective milkless winter due to shortages of grass and hay and disappointing crops of turnips which are prevalent in every district, the agricultural correspondent of the Daily Telegraph declared today, according to a London dispatch.

Also with barley far behind last year's output, milk which constitutes a vital food in the English diet will be definitely short, the correspondent said. He added that reports of potato crops also indicate a decline against the total quantity of last year.

Trouble in Hungary Denied

Domei

BERLIN, July 14.—Rumors of domestic trouble in Hungary are lacking in foundation, declared the Wilhelmstrasse today. These rumors have been spread by Jewish elements. It is pointed out in this connection that Jews—according to news from Budapest—can in future only be baptized after three months of religious preparation and after having passed an examination. This announcement had been issued because in the course of the past fortnight more Jews had applied for baptism than in the past 15 years altogether.

BRITISH COMPELLED TO REMAIN INACTIVE

Montgomery Leaves Brunt of Fighting to Americans in Attacking St. Lo

Domei

BERLIN, July 14.—While General Bernard Montgomery's forces were compelled to remain completely passive along the whole sector of the British invasion front and limited to only concentrated bombardment of advanced German positions, the brunt of the fighting to pierce the narrow invasion area rested with the Americans who, with reinforced forces, tried to force a break-through toward St. Lo.

After the heaviest artillery preparation so far on the invasion front with some hundred guns being fired for 30 hours on the front sector of about ten kilometers, General Omar Bradley's men launched attacks against the German positions at both the western and eastern wing of their Cotentin bridgehead sector.

Their main thrust was aimed at St. Lo which they attacked from the north along the St. Jean de Daye highway and from the east along the St. Lo-Bayeux road. At no less than six points the Americans west of Vire tried to advance southward.

U.S. Drives All Stopped

Although the thrust of the German panzer divisions into the deployment area of two American tank divisions on the previous day near St. Jean de Daye had somewhat checked the enemy attack, German troops at St. Lo had to muster all forces to ward off the onslaught.

In some places, where the Americans made local breaches, the German main line was slightly taken back but the massed American attacks were effectively stopped and all attempt to break through was foiled.

From the northwest the Americans advanced along the Bayeux-St. Lo road up to four kilometers of St. Lo without, however, being able to cross the road southward.

Fierce fighting raged also in the region of La Haye du Puits. At Bretteville and Angoville in the immediate hinterland of the Normandy west coast, strong American infantry and tank forces surged up to German positions. One breach southeast of La Haye du Puits, however, was sealed and the American troops occupying the region were driven back by furious counter-attacks.

The formations which advanced with strong forces toward the south in the area of Tribehou-Pont Hebert scored some indentations where fighting is still raging.

Also, east of Vire, the left wing of the American 1st army though attacking with strong pressure for three days have not yet been able to enter the ruins of St. Lo. With fresh reinforcements the enemy attempted to attack in the area south of the St. Lo-Berigny highway, but was not able to overcome the resistance of the German defense holding the semi-circle barrier at St. Lo. Fighting activity in this sector is still continuing with unabated ferocity.

Foe Landing More Troops

The lull in the British sector apparently is the calm before the storm since the British in the Caen area has concentrated strong artillery forces. Especially, the appearance of a big fleet of transports in Seine Bay off the Orne estuary must be regarded as a sure sign that the enemy is planning to land further troops and war material.

In the area held by the British 2nd army between Caen and Bayeux which measures about 800 square kilometers, General Bernard Montgomery, at present, has concentrated about four army corps and about 20 tank divisions, or altogether about 500,000 British and Commonwealth soldiers, according to reports from the western front.

Calculations show that, moreover, the British have massed in this area about 3,000 tanks despite the loss of about 1,100 tanks destroyed or captured since the invasion.

SUDAN STATUS UNDER FIRE

Egyptian Government Protests Map Showing Area as British Territory

Domei

ANKARA, July 14.—The Egyptian Government, today, made official representations to London concerning the map published by the English Cotton Association in which Anglo-Sudan is displayed as purely English territory, according to a Cairo dispatch.

The opposition in the British Government seized the opportunity to demand the Government to ask for a speedy clarification of the Sudan question which, according to the newspaper, Mussawar, found no satisfactory solution in the Anglo-Egyptian treaty of 1936.

OVER 250,000 LOST BY BRITISH FORCES

American Casualties Said in Invasion Three Times That Of British Army

Domei

BERLIN, July 14.—General Bernard Montgomery's invasion army lost more than 250,000 men killed, wounded or captured since the beginning of their invasion of western European, it was authentically revealed by prisoners' statements and documents. They added that numerically, American losses were about three times those of the English.

During the same period, German troops destroyed about 1,000 out of roughly 3,000 tanks before reaching the coast and another 1,500 in the fighting on land.

U.S. Losses Over 187,000

Domei

LISBON, July 13.—Robert P. Patterson, United States Assistant Secretary of War, in his usual piecemeal method, revealed the losses suffered by the American Army since the commencement of the war up to June 20 as follows, according to Washington reports:

Killed in action	23,250
Wounded	77,449
Missing	38,132
Prisoners	28,197
	187,028

Sea Losses Announced

Domei

LISBON, July 13.—Anglo-American naval losses during the invasion operations were officially announced today by the British Admiralty and the United States Navy Department, according to a London dispatch.

British losses included three destroyers, three frigates, one fishing steamer and one auxiliary vessel while the American losses included three destroyers, one transport, one mine-sweeper, one destroyer escort and one tug.

The British list was composed of the destroyers Boadicea, Swift and Svenner, the frigates Mourne, Blackwood and Lawford, the fishing steamer, Lord Austin and auxiliary vessel, Minister.

The American list included the destroyers Corry, Meredith and Glennon, transport Susan Anthony, ming-sweeper Tide, destroyer escort Rich and tugsteamer Partrir.

Nippon Units Pierce Hengyang Defenses; Tanchuk Foe Raided

(Continued From Page 1)

bringing a total of enemy planes either damaged or set ablaze in three days to 85. Embarrassed over the constant Japanese pounding, the enemy attempted to restore his falling fortunes and mustered first line planes at Kweilin from various bases in the southwestern area, and tried to stake his all in his counter-offensive against the Japanese. Noticing this attempt, the Japanese, at dawn of July 13, forestalling the enemy, surprise-attacked the Kweilin airfield, scoring the aforesaid brilliant war results. And it is noteworthy that all the Japanese planes, which took part in this particular raid, returned safely to their base.

It is reported that out of the eight military establishments in Kweilin which were blasted by the Japanese, three were munitions and fuel dumps and these are said to have gone up in flames, following terrific explosions. And the five places set ablaze are presumed to have contained aircraft, and if this were so, the Japanese war results in the attack on Kweilin would further increase, it is stated.

Enemy Terror-Raiders Being Smashed By German 'Do-or-Die' Storm Squadrons'

Domei

BERLIN, July 13.—A new menace to invading Anglo-American planes has appeared in Germany in the shape of "Storm Squadrons," as they are officially known, comprised of officers and men whose families have suffered from the indiscriminate bombing raids of the enemy.

The slogan of these men is "Do or die," and the complete destruction within two minutes of an American bomber formation of 30 planes which came to attack Central Germany on July 7, mentioned in the German official bulletin a few days ago, is a feat credited to the Storm Squadrons.

The men of these squadrons fight at as close a range as possible, the battles sometimes taking on the semblance of a duel in which the pilot comes face to face, for a moment, with the astonished enemy before the latter is sent to his doom. Even when their planes have been riddled by bullets, the men continue in their pursuit of the enemy until either they or the enemy are downed.

In cases where they have spent their last shot, they try to ram the enemy's plane. At the risk of their lives they crash into the enemy bomber. It was by just such a method that they were able to down all of the 30 enemy bombers within two minutes. On this day 57 enemy planes were downed with a loss to the enemy besides his planes of 570 of his men.

27 Nippon Internees At Tule Lake Detained For Wishing to Return

Domei

LISBON, July 14.—Twenty-seven Japanese internees at Tule Lake internment camp in California, where unrest has persistently occurred due to unjustified pressure by the Americans in charge, were arrested today by American authorities for expressing the desire to return to Japan, according to a San Francisco dispatch.

GERMAN MILITARY MOVE IN BALTIC AREA EXPLAINED

Withdrawal From Polotsk Effected in Line With New Setup on East Front

Domei

BERLIN, July 13.—The rumor that the Germans have shortened their line on the Baltic front was strongly denied today by the German military spokesman at a foreign press conference held in Berlin. The spokesman declared:

"A shortening of the German front in the Baltic zone is absolutely out of the question. The slight withdrawal in the Polotsk area in the southern part of the Baltic zone was effected in accordance with the new situation in the central sector of the Eastern Front, in order to better protect that zone.

"The Baltic zone is part of the European sphere. Germany will defend and hold the areas in both northern and southern sectors of the Eastern Front. The Soviet Union is celebrating the withdrawal of the German troops from Optchka, north of Polotsk, as a great Soviet victory, but the fact is that this movement on our part was begun some time ago.

"There is not the slightest truth in the assertion that the Red Army has achieved a break-through; all it accomplished was to follow in the wake of the German troops in the evacuated area."

LEDO ROAD SAID UNUSABLE

Repairs Not Progressing Due to Rains and Japanese Action

Domei

CANTON, July 15.—Construction work on the Ledo Road is not progressing at all and it is also reported that at present it is practically impossible to repair the road to make it usable due to the increased pressure of the Japanese Forces.

The work on the road had been undertaken under the cooperative efforts of American engineers and Chinese coolies in spite of the rainy season. However, the effort had been accompanied by tremendous difficulties. The heavy rains in June had retarded progress.

TRANSFER OF V-1 INLAND RESULTS IN ADVANTAGES

New Positions Facilitate Attack on Broader Front, Says Reich Spokesman

Domei

BERLIN, July 14.—Transfer of the V-1 bases to points further inland has resulted in numerous advatages, declared the military spokesman of the Reich Government today commenting on the reports from British sources that the German weapon was now being launched from a different direction.

This shifting, the spokesman emphasized, was rather easy in view of the technical perfections of the V-1 and it also had the advantage of being able to attack on a broader front. Moreover, the spokesman added, the new bases were offering much better chances for camouflage and protection against Anglo-American bombing than the original positions which had been situated comparatively close to the coast. Experiences gained from the first V-1 attacks had rendered it possible to increase the number of shots and to calculate the flight path still more accurately than hitherto in spite of increased range, the spokesman stated.

The sensational news about the turning up of the V-1 on the invasion bridgehead was noted by Berlin circles without confirmation.

The latest terror raids against Munich were carried out when adverse weather conditions prevailed and carpet-bombing was practised through a dense layer of clouds. This—as is stressed by the same circles—is another confirmation of the mere terroristic character of the enemy's air operations. The enemy is obviously afraid of the strong German fighter defense in good weather, particularly the new storm squadrons who do not even shrink from downing flying fortresses by deliberately ramming them.

COLOMBIA REBELS NABBED

Colonel Gil Fails in Attempt to Escape to Ecuador

Domei

LISBON, July 12.—Concerning the kidnapping of Colombian President Alfonso Lopez by a group of anti-Government army officers, Lleras Camargo, Minister of the Interior, in a broadcast last night announced that the government troops had freed the President after they entered the Pasto mountain stronghold of the revolutionists led by Colonel Diogenes Gil, according to a Bogota dispatch.

Additional reports said that Colonel Gil and his rebels attempted to flee to Ecuador but were captured and are to be brought to trial before the military court under the martial law now prevailing.

FINNS HOLDING BACK PUSH BY RED ARMY

Strong Soviet Forces Fail to Enlarge Bridgehead Positions Near Vuosalmi

Domei

BERLIN, July 14.—Continued Soviet attempts with heavy arms and tanks to enlarge their bridgehead position near Vuosalmi on the Karelian Isthmus were all frustrated in yesterday's principal fighting on the Finnish Front, according to the Finnish war communique today.

Somewhat increased artillery and trench-mortar fire was reported from the remaining sections of the Isthmus where local Soviet thrusts were warded off and four of their tanks destroyed.

Fierce fighting took place northeast of Lake Ladoga and at several points between Pitkaeranta and Suojaervi, but ended with the collapse of the Soviet attacks with severe losses. Three Soviet tanks were destroyed in this fighting.

Finnish and German air forces successfully raided Soviet artillery emplacements south of Ihantala and tank and troop concentrations near Vuosalmi and northeast of Lake Ladoga. At least three Soviet battery emplacements and six tanks were blasted and numerous violent explosions were observed in the target area. Eight Soviet planes were downed in the course of the past 24 hours.

With a bright Nordic night favoring operations even at night, numerous Soviet vehicles, tanks and guns were destroyed in the sector east of Vilpuri, while similar attacks were carried out on the Finnish bight.

The central sector on the Eastern Front was also the target of strafing by German fighters and bombers. West of Luzk and Vilna as well as in Opotshka area, German airmen attacked from low-level and destroyed four tanks, 22 guns, a trench mortar and 120 vehicles, in addition to 30 Soviet aircraft.

During the night, German fighter-bombers and battleplanes attacked targets in Tarnopol, Kovel and again in the Luzk areas where numerous fires and explosions were observed.

Also on the same day, German battleplanes continued their attacks against enemy traffic in the invasion area. Putting up an air umbrella over the front, German fighters and battleplanes set ablaze several enemy motor lorries and inflicted heavy casualties on the enemy troops deploying for attack.

In repeated aerial combats over northern France, 13 Anglo-American machines were shot down.

MADAME CHIANG SAID ILL

Recuperating in Rio de Janeiro, Says Chungking Embassy in U.S.

Domei

LISBON, July 14.—Madame Chiang Kai-shek who suddenly appeared in Rio de Janeiro yesterday had gone by plane to recuperate, the Chungking Embassy at Washington announced today, according to a Washington dispatch.

An A.P. report from Chungking said that Mrs. Chiang was pale and listless when she departed on Sunday. She was suffering from nervous exhaustion, insomnia, and chronic urticaria an inflammation of the skin.

She told her friends at a farewell tea party that Dr. Harrington under whose care she had been placed, had said that "she would never be cured if she stayed in Chungking."

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CHIANG-RED ISSUE CANNOT BE SOLVED

Negotiations for Compromise Make No Headway; Communist Power Grows

Negotiations for the adjustment of relations between the Chungking regime and the Chinese Communist Party are now underway. However, for the materialization of a compromise between these two bodies, the Chungking regime would have to yield to Yenan, which means that the Communist Party's sphere of influence would be expanded, says a Nanking report dated July 13 to the Mainichi.

Chou En-lai, leader of the Chinese Communist Party, made the following statement at a press conference at Yenan a few days ago:

"The Chungking regime and the Chinese Communist Party are now conducting negotiations for an adjustment of the relations between the two bodies but as there is quite a large gap between the demands of the two sides, the problems under discussion have not been solved. For the Communist Party, it is only possible to negotiate with Chungking on the condition that the regime agrees to the policy of a united war of resistance and the enforcement of democratic principles."

Recent attempts to effect a compromise between Chungking and Yenan, so as to realize the strengthening of the internal front in that part of China, have been stimulated by the insistent demands made by the United States, Britain, and the Soviet Union at the Cairo and Teheran conferences.

At the Yenan Conference, which was held at about the time when the Japanese opened their Honan campaign, a compromise plan was drafted after negotiations between the representatives of Chungking and Yenan. The main points of the plan follow:

1. The 18th Army Corps and the New Fourth Army to be included in the Central Army of Chungking, and the military expenditures to be met by Chungking.
2. The Chungking regime and the Chinese Communist Party to execute the present war of resistance against Japan in close cooperation.
3. The Shensi, Kansu and Ningsia governments and the Peace Preservation Corps to be reorganized.

However, when the Chungking representative returned to Chungking strong opposition was voiced against the compromise plan. The attitude of Chungking was clearly reflected in the following severe demands the regime made to the Chinese Communist Party:

1. The 18th Army Corps and the New Fourth Army to be fundamentally reorganized and their commanders to be discharged.
2. The troops of the Chinese Communist Party stationed along the Lung-Hai railway line to be disarmed.
3. Mao Tse-tung and other Communist leaders to be appointed to new offices.
4. The issuance of laws and regulations in the name of the Communist Party to be prohibited.
5. The Communist Party to obey absolutely the orders of Chungking.
6. Chungking to guarantee the safety of the members of the Communist Party.

Rejecting such severe demands, Lin Tsu-chin, Communist representative, expressed his intentions to depart for Yenan as he considered that it was useless to continue the negotiations. Lin was placed under arrest by the anti-Communist element in Chungking that was clearly set on fighting the Communist Party. However, he was released on an order issued by Chiang Kai-shek.

Revealing the fact that a Chungking-Yenan compromise is vital for the anti-Axis war efforts against Japan, the Daily Worker, a British paper, reported as follows:

"Chungking is using 500,000 crack troops for its blockade of Communist territory, and that was the cause of the Chungking army's defeat in the Honan sector. The removal of this blockade, therefore, is an important problem not only for China but also for the United States and Britain. If Chungking removes this blockade, the anti-Axis forces will be able to stage a stronger counter-offensive against Japan."

However eager the Anglo-Americans may be to effect a Chungking-Yenan compromise, such an adjustment is fundamentally impossible. The Chinese Communist Party is taking advantage of the war of resistance against Japan to extend its influence as can be seen in the fact that it has been strengthening its influence in Chungking territory following the regime's defeat in the Honan sector. Under these circumstances, it is natural that Chungking is unable to comply with the wishes of the Anglo-Americans who are urging the regime to effect a compromise with the Chinese Communists.

Whatever might lie in store in the future regarding Chungking-Yenan relations, it is observed that weakening Chungking is destined to be dominated by the Chinese Communist Party.

ARMY APPOINTMENTS MADE

Major-General Ota Heads Sendai Recruitment Department

Major-General Fujitaro Ota has been appointed Director of the Military Recruitment Department of the Sendai Division, while Major-General Jinzaburo Ishitani has been made Commander of the Niigata Regimental District, it was announced by the War Ministry on Saturday.

Simultaneously, the following appointments were announced: Colonel Shigeo Aono as Commander of the Hakodate Regimental District; Lieutenant-General Jokichi Nambu as Principal of the Maebashi Military Preparatory Academy, Lieut.-nant-General Shiro Hayabuchi as Principal of the Toychashi First Military Preparatory Academy, Colonel Takoshi Sakai as Principal of the Tokyo Army Youths' Aviation School, and Colonel Hideo Nishimoto as Principal of the Hiroshima Military Preparatory School.

GOODS MADE IN P.I. CRAM MANILA SHOPS

Local Industries Thriving Due To Huge Demand For Philippine Articles

Local industries in the Philippines have been making rapid progress with the exit of imported articles since the beginning of the War of Greater East Asia and among the principal items on sale in Manila's department and dry-goods stores are perfumes, lipsticks, necklaces and rings to suit milady's taste; shoes, hats, pipes, watches and suits for most discriminating male, and toys and mechanical gadgets for young boys and girls, all made locally, according to a recent Manila dispatch to Domei.

Imported goods of the same kind are fast being relegated to the background because of increasing public patronage of locally made articles. Industries now turning out these manufactures developed after the outbreak of the present war in order to meet local demands. At first they were makeshift affairs with industrial managers making no attempt to specialize in their lines but as the war progressed and showed a tendency to become a protracted one, efforts were made to specialize in their chosen lines. Some industries have become so firmly established that they are bound to stay even after the war.

For perfumes and other toilet articles, Filipino chemists have succeeded in manufacturing essences using native flowers such as the Sempaguita, Ylangylang, Rosal, Camia and Champaka. Lipstick materials also are abundant because the Philippines is a great coconut producing country.

Pearls for necklaces are obtained from native oysters and other shells of which Philippine waters have an unlimited supply. Moreover, men's articles such as shoes, hats and ties are being turned out on a mass production basis because of the increasing demands. Materials for these goods are also abundant here.

Finally, Filipino woodcarvers and invention-minded individuals are making toys and a large assortment of gadgets, to the delight of the boys and girls.

Obituary

Baron Sanji Narahara, pioneer of civil aviation in this country, passed away at 1 a.m. on Friday at his residence in Ichikawa, Chiba Prefecture, after a long illness, at the age of 68.

Funeral services will be observed with Shinto rites from 9 to 10 a.m. on July 18 at his residence by the Japan Light Aircraft Club.

Upon graduation from Tokyo Imperial University, he entered naval service and already in 1908 he undertook aircraft designing. He also rendered much service as a member of the Provisional Balloon Research Commission. In 1911, he retired from naval service as expert and set up an aircraft works of his own. He designed and built Nos. 1 to 4 Narahara planes. Subsequently, Baron Narahara was appointed chairman of the Japan Light Aircraft Club and chairman of the Tokyo Glider Club. Up to recently, he was adviser to the Japan Aircraft Industry Company.

Tadashi Hattori, 77, former Mayor of Gifu, died on Friday at his home in Gifu. He was Mayor of Gifu from 1908 to June of 1922.

Ryozo Yoshida, 67, Professor Emeritus of Tokyo University of Commerce and director of the Commerce Department of Chuo University, died on July 13 and funeral services will be solemnized at the Aoyama Funeral Hall on July 17, at 2 p.m.

Renjiro Negishi, 89, former managing director of the Nippon Yusen Kaisha, died at his Akasaka home on July 11. Funeral services will be held at Sojiji Temple, Tsurumi, at 3 p.m. on July 17.

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U.S. FACES DEARTH OF RAW MATERIALS

Lead, Zinc, Bauxite Seen Depleting; Yanks Seeking Other Fields for Import

Though America has always been regarded in the world as a country with unlimited raw material resources, the extraordinary consumption caused by the present war has nevertheless brought to the fore the question of limits of certain United States materials, says a special Berlin dispatch to the Nippon Times recently.

It has been estimated that the easily workable and profitable United States deposits of lead and zinc will be exhausted within the next 10 years. Thus, America would have to rely on deposits in Canada, Mexico, Australia and Africa.

The United States deposits of bauxite are expected to be depleted by 1948, which fact has increased American interest in the bauxite deposits of Dutch and British Guiana and Brazil.

There are several other minerals in which the United States has always had to rely on imports. Manganese is supplied chiefly by Russia and Brazil. Rhodesia, Cuba and India are the chief suppliers of chromite. The United States imports of nickel and nickel alloy from Canada in 1939 totaled $24,914,000. Antimony is imported from various countries, especially China and Mexico, while tin is another item that the United States must obtain from abroad.

Last but not least, there is the problem of coping with the rapid exhaustion of American oil reserves. Competent quarters in Washington have estimated that the ascertained oil reserves in America at the rate of production prevailing in 1939 would last only until 1950. Meanwhile, production has, however, been greatly increased by the country's entry into the war, while on the other hand the extent of new oil discoveries is unable to effectively remedy the situation. Hence, American efforts to obtain titles to the oil fields in the Near East, which hitherto had been regarded the exclusive monopoly of the British.

In taking consideration of these facts, it must not, however, be thought that the United States is facing an economic catastrophe. America, it must be remembered, is still immensely rich. But the threatening depletion of certain essential raw materials is causing the Americans to be on the look-out for compensation elsewhere. And that "elsewhere" usually happens to be within the British sphere of influence.

How far economic competition between the two allied rivals, Britain and the United States, goes and how it reaches into fields practically unknown to the general public was recently revealed in New York's Wall Street Journal.

Quebracho extract is an important ingredient used by the tanning industry. It is obtained from the wood of a tree that grows in Argentina and Paraguay. By far the greatest producer of quebracho extract is the British Forestal Land, Timber, and Railway Company, which uses its almost monopolistic position to the benefit of Britain in dealings with the United States.

The American journal suggested that the United States should free itself of the British monopoly and pointed to the example of Germany which, even before the war, discovered a suitable substitute in the tannin contained in the bark of German oaks.

Iwasaki Relieved of Post

Tamio Iwasaki, Japanese Minister to Kalgan, was relieved of his post at his own request, it was announced on Saturday.

Five Nippon Soldiers Charge Into Foe Line; Kill 20, Seize Five Rifles and Machine-Gun

Domei

HUNAN FRONT, July 13.—Five Japanese soldiers wiped out a section of the enemy troops and forced a wedge in the enemy line by charging into his strategic position within perilous mountain terrain. During the Japanese attack on the enemy's defenses constructed on the outskirts of Chuchow, the enemy's temporarily organized Seventh Division established a formidable defense line in the mountains northeast of Chuchow from where he has been able to put up continued resistance.

Receiving orders to capture this strategic position, Cadet Koashi accompanied by four others plunged into the enemy line. As they approached the steep incline, their way was obstructed by a formidable abatis constructed by the enemy. Moreover, the enemy repeatedly rained hand grenades on our soldiers wounding Cadet Koashi. However, Lance-Corporal Morita took command.

Morita and the others dashed into the enemy line in the face of a heavy shower of hand grenades and carried on a bitter struggle of approximately 30 minutes. Although disadvantageously placed, our men escaped the enemy fire and pressed the enemy inch by inch. After scaling the abatis, they suddenly charged to catch the enemy unawares and killed more than 20 of his troops and captured five rifles and one light machine-gun.

Thus through fortitude and courage these five vanguards of our troops were able to carry out their operations effectively.

PENANG NEWSMEN LAUD STRIDES MADE BY SHONAN

Impressed by the Rapid Industrialization of Isle, War Spirit of People

Domei

SHONAN, July 14.—The rapid industrialization of this island and its transformation into an important producing center, coupled with the fact that the people here are fully conscious of the significance of the current war and are exerting every effort toward its successful consummation, are two outstanding aspects of Shonan today, declared a group of Penang journalists touring Malai.

In the course of an interview here, the journalists unanimously stressed the fact that self-sufficiency is rapidly being achieved in this island and that "not only are there abundant food-crops being grown throughout the length and breadth of Shonan, but business and trade seem to be just as good as in pre-war days."

Kuan Kin-huah of the Penang Shimbun declared, "The varied assortment of goods displayed in all the shops clearly reflects that Shonan has not been lagging behind where the industrialization of Malai is concerned and this augurs well for the future."

Reporter Chew Kung-Hoot praised the war consciousness of the people here and the spirit of friendliness displayed everywhere between Japanese residents and the people of other races.

FILIPINO PATRIOT SUCCUMBS

Teodoro Gonzales Fought Against Spaniards and Americans

Domei

MANILA, July 15.—Teodoro Gonzales, one of the few surviving signers and drafters of the Malolos Constitution which proclaimed the first Philippine Republic, died at his home in Caloocan in Rizal Province on July 11.

Mr. Gonzalez was also a member of the revolutionary congress from 1898 to 1899 with the rank of a colonel and fought valiantly against the Spaniards and later against the Americans.

He was known as an attorney for the defense of the Bonifacio Brothers in the famous trial which culminated in the death of Anures Bonifacio. One of the leaders of the veterans of the revolution, Mr. Gonzales on the occasion of the independence of the Philippines on October 14 last year came to Manila and proudly participated at the head of revolutionary veterans in the commemorative parade on Independence Day.

ONE-WEEK PROGRAM SET TO FETE 4TH MARINE DAY

Grand Meeting Slated on July 20 to Express Nation's Gratitude to Brave Seamen

The fourth Marine Day will be observed on July 20 and the period from July 16 to 22 will be set aside as a week of gratitude and encouragement to Japan's seamen, who, together with the valiant men of the Imperial Japanese Navy, are active on the foremost line of battle.

The gratitude and encouragement movement will be launched throughout the entire country under the sponsorship of the Imperial Rule Assistance Association, the Association for Service-to-the-Nation Through Marine Transportation, Japan Seamen's Relief and Protection Association and other connected bodies.

On July 20, a grand meeting for expressing gratitude and encouragement to the seamen is scheduled to be held in Tokyo at the Hibiya Public Hall from 6 p.m. About 3,000 members of bereaved families and others will be invited to the meeting and Prime Minister General Hideki Tojo and Kuna Goto, Minister of Transportation and Communications, will speak words of encouragement. Also programs are being planned at about 50 main seaport cities and towns throughout Japan during the week.

HONDURAS RIOTS CONTINUE

Numerous Clashes Take Place; President's Wife Flees to U.S.

Domei

MADRID, July 13.—Riots in Honduras are still going on according to an Efe report which stated that there have been numerous clashes between the police and armed demonstrators. Numerous political adversaries of President Carias have taken refuge in foreign legations and Madame Carias is reported to have left for the United States.

Even newspapers in Mexico, Guatemala and Salvador have joined the press campaign against Carias, the dispatch said.

Mizuno Reaches Bangkok

Domei

BANGKOK, July 14.—Itaro Mizuno, director of the Southern Affairs Bureau of the Japanese Ministry of Greater East Asiatic Affairs, arrived here this morning. He is now on an extensive inspection trip of the Southern Regions.

Talks on Ceylon Customs

The regular monthly meeting of the Indian Culture Institute of Japan was held at its headquarters at Fukakusa, Fushimi-ku, Kyoto, at 1:30 p.m. on Saturday. Yoshihiro Inouye of the Institute spoke on "The Language and Letters of The Native People of Ceylon."

BUSY LIFE IS LED BY 3RD NATIONALS

Those in Hongkong Enjoy All Rights of Free Movements; Engage in Business

Nationals of third countries in Hongkong are today leading happy and busy lives in cooperation with the Japanese and Chinese residents, said E. G. Ogura writing in a recent issue of the Shanghai Evening Post, according to a Domei dispatch from Shanghai recently.

Mr. Ogura pointed out that "no restriction or discrimination is permitted to interfere with any earnestly expressed desire of the nationals of third countries to cooperate with the authorities. Many of them—in fact a large number particularly of the feminine sex—are in the employment of Government offices and in various other Japanese firms and business houses. Many of them are also working jointly in business with the Chinese, while others have set up their own offices and continue to enjoy all privileges and right of free and untrammeled movement and to earn a honest living."

Continuing, Mr. Ogura emphasized that "the third nationals will be the first to admit that they are today enjoying virtually all the privileges enjoyed by the Japanese nationals." He said that "the fear that some of them felt at the beginning that there would be no chance for them to find a living in Hongkong has been totally eliminated."

Praises Japanese

Referring to the magnanimous efforts of the Japanese residents, Mr. Ogura stated that "the Japanese civil population in Hongkong has played a fine part in strengthening the cordial relations among the various elements of the population. They have shown themselves ready to meet the third nationals in every way—whether in business or in the social field. There is a growing good comradeship springing up among all the communities and there is also a better and growing amity between the various nationalities—a striking contrast to the racial prejudices and distinctions which were encouraged among all the communities here during the British regime."

He declared that the "extent of this good neighborliness among the third national communities in Hongkong can be witnessed in many cosmopolitan gatherings seen daily in hotels and restaurants where various nationalities mix every meal-hour for cheerful conversation and discussions on various topics of the day."

"Every latitude is afforded these people, both men and women, to seek their recreational hours how and when they want, provided they abide by the laws promulgated for the safety of the whole population and adhere to the regulations governing their conduct and occupations," he added.

Cooperative Spirit Noted

Mr. Ogura said that this increasing spirit of cheerful cooperation between the third nationals on the one hand, and the Chinese and Japanese on the other, is reflected in "the increasing attention which is being paid by the public as a whole to those people who are still unable to earn their daily livelihood."

He disclosed that the position of the Indians, Portuguese and other third nationals in Hongkong "is all that can be expected under the present circumstances."

Referring to the growing signs of the way these peoples of various races and nationalities are showing confidence in the authorities, Mr. Ogura said that "they are cooperating with the authorities in a friendly and wholehearted spirit for the betterment of their own circumstances and for the well-being of Hongkong as a whole. They accept any new restrictions necessitated by wartime conditions in a cheerful manner and have settled down to accustom themselves to Japanese customs and ways of living."

Mr. Ogura pointed out that "many of them are already proficient in the Japanese language and, in keeping with the eagerness to learn the language evidenced throughout the countries of East Asia, they are assiduously taking up courses offered them in various classes organized for this purpose."

"It is in this spirit that they await the complete fulfillment and realization of Greater East Asia which will enable Hongkong with its cosmopolitan population to play its full part," he declared.

England's Accidents Soar

Domei

STOCKHOLM, July 13.—The number of fatal street accidents in England showed a great upward trend during May of this year with 632 fatalities, almost 50 per cent higher than the same month last year, according to the Svenska Dagbladet's London correspondent, who declared that increased military traffic shortly before the invasion had caused the jump in accidents.

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TOKYO, SUNDAY, JULY 16, 1944

The Renewed Attack on Chungking

The United States, which had silenced all criticisms of Chungking during Vice-President Henry A. Wallace's visit to the rebel Chinese capital, has again opened up a withering barrage of criticisms at the Chungking regime. President Franklin Roosevelt himself led the attack on July 7 when he rebuked the Chungking forces for their poor showing in their military operations against Japan. On July 10 Vice-President Wallace, apparently taking his cue from the President, also raised a hue and cry over the "grave" military situation in China. And now the American press has joined in the chorus of slurring attacks.

Columnist Drew Pearson, writing on July 12 in his syndicated Washington Merry-Go-Round, on the basis of inside information he obtained from diplomatic sources and members of Wallace's fact-finding mission, reviles Chungking as being the No. 1 problem child of the anti-Axis camp. Millions of Chinese, Pearson asserts, have never heard of Chiang Kai-shek; his American-educated wife is held in disrepute as an "American upstart". American newsmen in the rebel Chinese capital are, moreover, "virtual prisoners". There is a free-for-all political scramble in Chungking officialdom, with various powerful warlords—of which Chiang is one—jockeying for control of the run-down regime.

Though these charges do not differ materially from the rasping criticisms made in the United States during the past few months, they are significant in that they form the gist of the report brought home by Wallace from Chungking. They prove the existence of totalitarian tendencies, corruption, graft, disunity, and a notorious censorship of news in Chungking. They confirm the fact that Chiang Kai-shek is not the true leader of the Chinese people. The president of a regime who is unknown to his own countrymen can only be an impostor, a head of a pretended authority who has foisted his dictatorship on the Chinese people. Such at least is the inference of the American charges.

The fact that this blast of criticisms was released against Chungking a few days before Wallace reached Seattle, Washington, would seem to indicate that the United States does not intend to increase her shipments of war materials to Chiang Kai-shek. Any munitions which may be sent to the rebel Chinese capital will apparently be consigned in the future to Chennault or Stilwell. Even during the past year, Chiang received only a fraction of two per cent of the total Land-Lease goods which the United States sent to Chungking. The reason for this action is obvious. Chiang Kai-shek has been using these materials, as Wallace's party charges, to fight not Japan but to crush the dissident elements within Chungking.

In the same article, Pearson also states that the relations between the United States and Chungking are at the present moment "bad". How bad their relations are is shown by Chiang's repeated refusals to meet American Ambassador Clarence Gauss. But how could the situation be otherwise when the United States is preparing to wash her hands of Chiang? How could it be otherwise when the United States professes sympathy for the anti-Chiang clique in Chungking? How could it be otherwise when the United States which had split China into two is now seeking to divide even Chungking in order to get a strong strangle-hold on the puppet regime?

Chiang Kai-shek must realize by now that continued subservience to the United States can only end in a tragedy, not only for himself, but also for the people of China. By his own testimony as revealed in his latest book, China's Destiny, he has shown that the Western imperialists have been responsible for the misery, poverty and distress in China. Salvation for the teeming masses of China can only be attained by ending Anglo-American domination of East Asia.

Turkey's Realistic Diplomacy

An Ankara report a few days ago stated that Muzaffer Goeker, newly-named Turkish Ambassador to Japan, has been suggested as a possible successor to former Foreign Minister Numan Menemencioglu who resigned in the latter part of last month. This report apparently indicates the decision of the Turkish Government to make general reorientations in its diplomatic relations with Britain and the Soviet Union.

Turkey today still maintains a policy of strict neutrality. That essentially sound stand which is founded on her alliance with Britain, her deep and abiding friendship for Germany, and her relatively dominant position in the Near East and the Balkans due to her control of the Dardanelles and the Bosporus has not been shaken despite the intrigues of Britain to get her enmeshed in the anti-Axis war. Not only did she refuse to lend military bases to Britain in return for promises of arms and munitions but she resisted also the strenuous economic pressures brought to bear on her by Britain and the United States. Her concession to stop her chrome shipments to Germany has not altered to any degree her desire to stay out of the war.

Noteworthy is it that Turkey's latest action to adjust her diplomatic relations is motivated purely from a consideration of the necessity created by the changing situation in the Balkans and Western Asia. Turkey realizes above all that whatever may be the outcome of the war, Britain has definitely lost her former position of leadership in the Mediterranean Basin. Certain events have justified this conclusion in Turkish eyes: the advance of the Soviet Union into Southern Italy and Northern Africa; the Soviet Union's one-third share in the Italian fleet; Britain's abandonment of Mikhailovitch for pro-Soviet Tito; the lease of a naval base in the Mediterranean by the Soviets; and the penetration of Soviet influence into Palestine and Arabia. These cases of Soviet advance mean a corresponding retreat of British influence from the regions in question. In the face of these developments, what could be more natural than for the Turkish nation to realize the drawbacks of continuing its past relations with Britain?

At the same time, the Soviet Union's policy toward the 3,000,000 Kurd inhabitants in Iran, Iraq, Turkey and Syria has aroused no small concern in Turkey. The Kurds, who are apparently under the leadership of Mustafa Elbaradi, form a powerful group in the regions of Iran and Iraq. Turkey, moreover, has been forced to attach grimmer importance to the presence of about a million Kurds scattered over Diyarbekir, Mardin, Bitlis, Matatya and Urfa in Turkey, particularly since the British setbacks in Iran and Iraq at the hands of the Soviet Union.

The keynote of Turkey's program for diplomatic adjustments, therefore, must obviously place the major emphasis on Turkish relations with the Soviet Union, although the latter is her traditional enemy. The main reason for Turkey's conclusion of the alliance with Britain was due to this fear of the Soviets, but the realities of the present have brought out, in the eyes of Turkish statesmen, the unwisdom and perial of such an Anglo-Turkish policy for the promotion of her own interests and safety. A recent report has it that Soviet Vice-Commissar A. J. Vishinsky is already in Turkey at the invitation of the Ankara officials to reorientate Soviet-Turkish relations.

In what form the questions regarding the security of Turkey and the Soviet advance through the Dardanelles and the Bosporus will be solved remains to be seen. But the most significant highlight of the present negotiations at Ankara is that Turkey acknowledges the fact that Britain no longer has any decisive voice in the affairs of Western Asia nor in the Mediterranean.

FOE'S EVIL INFLUENCE DISCARDED IN SOUTH

Filipinos Are True Asiatics Despite Outward Americanism

By FUSAO HAYASHI
Of the Military Press Corps

Editor's Note: Fusao Hayashi, a writer, who has been in the South as a member of the Military Press Corps since October, last year, visited Taiwan on his way home and gave a lecture at Taihoku on the Southern Regions. The following is the gist of his lecture published in the May Number of the Taiwan Jiho.

Part I

Manila is a town which was built originally by the Spaniards and later Americanized, so much so, that its citizens have retained very little of the characteristics which distinguish them as Asiatics. Shonan and Djakarta are also cities which the Asiatics played no part in building. These cities are no more Asiatic in character than Shanghai or Tientsin, none the less they are inhabited by Asiatics. Saigon in French Indo-China too, falls under the same category. Rural districts in Sumatra and the Philippines, however, present aspects altogether different.

In a certain hotel in Manila, there were two Tagalog shop girls, always neatly dressed and nicely made up after the American fashion. They looked very beautiful. Their shop was, accordingly, much patronized by the guests of the hotel. One day, coming back to this hotel, I saw at this same shop a Tagalog girl of a dark complexion, instead of the usual beautiful girls, and so I asked this strange girl whether Leonie, which is the name of one of the two beautiful girls, was away. To my great surprise, she replied that she was Leonie whom I was asking for. Without her usual laborate American toiletries she looked like a regular Tagalog girl, hardly distinguishable in general features from a girl of the Takasago race in Taiwan.

Filipinos speak English with an American accent. Men of letters have a good command of English, and live after the American fashion. Because of this, the first impression they leave on the Japanese visitors to the Philippines is that they are full of affectation and too much Americanized. On closer personal contact with them, however, we find that our first impression was somewhat faulty.

Novels Are Insipid

Their novels depicting urban life are generally insipid, but those portraying rural life are quite interesting. We often find novels by Filipino writers depicting agrarian or jungle life devoid of Spanish or American taint to be of much literary value. A story by a certain Filipino novelist, which depicts love and marriage between a young farmer and a country lass, is so well written that it reminds me of Goethe's "Hermann und Dorothea."

In the course of my address before a group of Filipino writers, I ventured to suggest that they direct more attention to the portrayal of a native life innocent of American influences. Urban literature describing life in Manila was no national literature, I asserted, declaring that the Philippines had no need of literary productions smacking of Manila life or Americanism. There was a unanimous cheering when I remarked that the Philippines would not be any worse off if Manila were burnt to the ground.

The Filipinos speak English but it is everyday English and nothing more, therefore, they cannot express sentiments which are complex or profound except in the Tagalog language. I heard President Laurel speak on the occasion of the official celebration of the independence of the Philippines. While he first spoke in English his audience of over one hundred thousand listened to him in silence, but when he began to speak in Tagalog, every sentence of his speech was loudly cheered. Some were actually moved to tears by his eloquent appeal. The President himself spoke with tears in his eyes. I felt then that the Filipinos were not, after all, so badly vitiated by American influences as I had imagined. They may appear excessively Americanized, but their Asiatic characteristics assert themselves fundamentally.

Although peace is not yet completely restored in some parts of the Philippines, things are very tranquil in Java and Sumatra. It would be difficult to find another instance in the colonial history of any country where peace was restored over such a large area in so short a time as two years. It took Britain 20 years to pacify Singapore. Spain paid heavy sacrifices in occupying and pacifying the Philippines. The Netherlands encountered many difficulties in ruling Sumatra. Even 300 years after her occupation of the island, there were a series of revolts lasting over a period of 30 years, in which no fewer than 200,000 Dutch people were killed.

The Chinese residents in the Southern Regions are mostly merchants, not farmers. I am glad to learn that 90 per cent of the natives of Taiwan are farmers. People of the Chinese race make very industrious farmers for they are attached to the land.

(To Be Concluded)

The Hiroshima I.H.Q.

Undertaking of Command by Throne During Sino-Japanese War Unites Nation in Time of Crisis

By IKUJIRO WATANABE

Part II

For the Emperor Meiji to move His headquarters from the capital in order to expedite command of His Forces on the field of battle was a historic event unprecedented since ancient times. The nation was filled with awe and trepidation. The noble example set by His Imperial Majesty in sharing the hardships and privations of the front line soldiers filled the whole nation, from highest to lowest, with unbounded gratitude and roused them to lay down their lives for their gracious Sovereign. The state of Ikkun Banmin—one Sovereign and myriads of subjects united as one man under Him—was symbolized to the full. The Government, the parties and the people emerged in one compact unity in service to the Throne. This bears out my statement that the Imperial Headquarters in Hiroshima mirrored the true form of our Empire and its tradition. Let us now see how the Government, the parties and the people fulfilled their devotion in their respective fields.

The stamina and sense of responsibility of the Government leaders left nothing to be desired. The then Prime Minister Prince Hirobumi Ito and Foreign Minister Munemitsu Mutsu were hand and glove with each other. Prince Ito was of the view that what was really to be feared was not China's military strength but the possibility of intervention by foreign countries. He believed, therefore, that for the successful conduct of war and diplomacy, he could not do better than lead the military leaders and cause the hostilies to be prosecuted just as he would like. So he asked to take part in the Imperial Headquarters conferences and was permitted to do so.

Prior to this, Prince Ito, judging by the attitude of Britain, and other Powers, thought third Power intervention inevitable, and a joint intervention at that. Accordingly, it was necessary, he thought, that a sweeping victory must be won speedily so as to prepare the ground for presenting our demands on the enemy. To this end, he thought that he had to have a voice in military affairs. Hence his recommendation that he be permitted to participate in the deliberations at the Imperial Headquarters.

Cooperation Stressed

Upon the granting of the Imperial Rescript declaring war, Prince Ito submitted a further recommendation to the Throne regarding both military and administrative affairs. The recommendation was accepted. Then, on the occasion of the departure for the front of Field-Marshal Yamagata as Commander of the First Army, the Throne granted a gracious Rescript to the Marshal, his staff and Prince Ito. The Rescript was to the effect that the military leaders and the Government should deliberate with each other, avoid friction between war and diplomacy and consummate the ultimate policy.

With the progress of the war situation, the Prime Minister and Foreign Minister showed more and more resourcefulness in guiding military affairs. At the news of the fall of Ryojun (Port Arthur) on November 26, Foreign Minister Mutsu, sensing that peace was not far off, sent a letter to the Prime Minister, saying, "Once a way is opened for peace, military action should follow diplomacy just as diplomacy has followed military action." He went on to say that the prerequisite to peace was to instil fear of Japan's might into China. For this purpose, he said, military operations would be necessary. He recommended that the Prime Minister should arrange with the Imperial Headquarters so that appropriate military action could be opened at any time if diplomacy necessitated it. Acting on this recommendation, the Prime Minister freely expressed his views on strategy at a conference of the Imperial Headquarters.

Prince Ito's leadership was not confined to the military people alone, but was extended to the Diet as well as to the people at large.

The majority of Western peoples, while acknowledging the remarkable progress our nation had made, were skeptical as to the latter's ability to operate Constitutional government. They held the view that only they themselves were equipped for this form of government and that the Japanese, an Oriental people, were unequal to this advanced, complex system. Unfortunately, the situation prevailing in our Diet in those days sufficiently verified this view. Ever since the Diet was established, anti-Government agitations and grim, naked partizan struggles had been the rule, so much so that some, including senior statesmen, advocated the suspension of the Diet. This provoked China's contempt. The Chinese Minister to Japan reported to the home Government that Japan was harassed too much by internal dissensions to turn attention to external affairs and that, therefore, now was the best time for China to settle the Chosen problem. That was in June, 1894.

The war with China opened amid such a situation. On October 18 of the same year, Prime Minister Ito asked for the Imperial sanction for the convocation of an extraordinary session of the Diet in Hiroshima to seek approval of the military expenditure budget. The session was watched with the keenest of interest not only by our own people but by foreigners as well. What would be the attitude of the Progressive Party which held an absolute majority? To be sure, they would not object to the war—that was unthinkable. But would the party entrust this historic, stupendous task to what it had long condemned and held in derision as a clan Government? Would the Diet, as the representative of the people, make positive cooperation in the war effort? The wartime relationship between the Government and Diet was the greatest problem since the inauguration of Constitutional government in our country.

The result of the session left not only the Japanese people but foreigners in open-eyed wonder. The Imperial Rescript declaring war being granted, all the parties united behind the Government. Both Houses unanimously approved the extraordinary military expenditure budget of ¥150,000,000. They also adopted a resolution of gratitude to His Imperial Majesty for assuming command in person and another to the Imperial Japanese Forces. Moreover, the House of Representatives, after deliberating on the means to express the people's will, submitted a resolution to the Government. The resolution, after expressing the immutable determination of the Lower House members, exhorted the Government to chastise China to the bitter end in obedience to the Imperial Rescript, establish permanent peace in the Orient and realize the ultimate aim undaunted by third Power intervention if it should come. The Lower House, alive to its mission and responsibility, not only gave approval to the Government policy but went a step further and assured the Government of the people's resolve to cooperate positively with it for the successful prosecution of the war.

In this way, the session of the Diet proved to the whole world that the Japanese people, once faced by a national crisis, would rise with peerless patriotism, bury the hatchet and perform superb self-sacrifice for the country in solid unity. More than that, it also proved that the Japanese people were fully capable of operating Constitutional government.

Prince Ito's Leadership

Responsible for this attitude on the part of the Diet was, needless to say, the August Virtue of the Emperor Meiji who set a noble example of self-sacrifice by sharing the life of the soldiers at the front. Another causative factor was Prince Ito's unerring leadership.

The people at large displayed fervid patriotism and fiery hostility against the enemy. Even before the outbreak of hostilities, there was a flood of people everywhere volunteering for military service. As the war broke out and the Imperial Rescript declaring war was issued, the people's patriotism was whetted to the highest pitch. Those on the service list were on tiptoes to receive summons to the colors, while others sent in letters asking to be sent to the front as volunteers. No few people gave up their business and received military training. With the conscription system already perfected, however, there was no need for volunteers, and an Imperial Rescript to this effect was issued on August 7. But the common people, who had no wealth to offer, could not sit quiet in the face of the national emergency. An outlet for their ebullient patriotism was afforded by the recruiting of military laborers. In those days, the commissary system was incomplete and rear line service had to be performed, in many cases, by military laborers recruited from among civilians. The recruiting was early anticipated, and rikisha-pullers in Tokyo were prepared to respond to the call as early as July. The newspapers reported on December 9 that, in the city of Tokyo alone, no less than 4,000 rikisha pullers had applied for enrollment.

The millionaire class was not behind the plebeians in rising to the occasion. Wealthy people like the Mitsuis, Iwasakis, Shibusawas, Fukuzawas and others made a plan to solicit patriotic contributions from the people at large to meet the war costs. The promoter was said to be Yukichi Fukuzawa, who was all enthusiasm about the plan, making an appeal to the people through an editorial published in a Tokyo daily. On August 1, some 100 wealthy peers assembled at the Tokyo Bankers' Club and organized the Patriotic Society with the object of initiating a campaign for patriotic contributions to meet the war expenditures.

With the aim and purpose of the Patriotic Society Prime Minister Ito and other Government leaders were in full agreement. But the then Finance Minister Masayoshi Matsukata opined that war costs were not to be covered by contributions alone. The alternative taken was bond issue. Subscriptions invariably surpassed the issue amount several times. Some people borrowed money on the mortgage of their farm lands, handed down to them from generation to generation, and bought bonds. Thus, the total bond issue of ¥150,000,000 was easily digested. After the acceptance of patriotic contributions to the war fund was suspended, the wealthy peers donated large sums of money for the relief of the soldiers at the front and their families. Fukuzawa took the lead by donating ¥10,000. All this further demonstrated the people's patriotism and, moreover, showed that Japan's economic strength was not to be slighted.

Last but not least, nurses of the Japan Red Cross Society acquitted themselves creditably amid the smoke of war, caring tenderly for comrade and foe alike. They were looked up to as angels and their brave, noble deeds were immortalized in a song, which remains popular to this day.

Such was the picture of fignting Japan around the axis of the Imperial Headquarters in Hiroshima in the Sino-Japanese War of 1894-95. It was a picture of the whole nation massed into one ball of fire. That fire blazed Japan's path to triumph and to her ascendancy as a modern Power. All went better than it would have done at the hands of man. What is the explanation? The Imperial Headquarters in Hiroshima—nothing else.

(End)

THAILAND'S NEW CAPITAL

Petchabun Is Made New Seat of Government

Toward the end of January, the Government of Thailand declared that Bangkok had lost its character as the capital of the country and designated Petchabun as the new seat of government. The ceremony of the foundation of the new capital was held on April 23.

For a country to transfer its capital is no easy task. This is especially so in Thailand's present case, as the task involves not merely removal but the work of building up a new capital. It calls for no common determination and effort.

Formerly in Japan, capital was transferred with each change of the reign. After the country became more stabilized there were three transfers of the capital, first to Nara, then to Kyoto and finally to Tokyo with the opening of the Meiji era. It is observed that the transfers of capital in our country were motivated not so much by the physical conditions of the localities concerned as by the desire to renovate administration and to enhance the popular morale.

China, too, during its long history, has transferred its capital times without number. In the light of the history of Western countries, it can be said that transfers of a capital constitute a conspicuous political characteristic of the Oriental nations. And in Japan, as in China and other Oriental countries, transfers of the capital have been prompted not so much by material considerations as by moral reasons.

In giving up Bangkok, the largest city in the country, equipped with all the modern conveniences, in favor of Petchabun, an inconvenient locality, the Thai people from Premier Phibun Songkhram down are burning with the desire to fling down all conventions inherent in the country and to construct a new capital befitting new Thailand, an East Asiatic Power. The motive is identical with that which prompted the transfers of capital in Japan since ancient times. It is confidently expected that Thailand, overcoming all difficulties, will create a new, fine capital in the near future.

A recent similar example is found in Turkey. In 1923, when the republican revolution succeeded, Turkey gave up the 500-year-old capital of Istanbul and moved the seat of government to Ankara which had a small population of 10,000 then. Twenty years have passed, and Ankara is today in world-wide prominence.

WAR TAX INCREASE IN ENEMY COUNTRIES

Present Overall Level Highest in United Kingdom

The Financial Times reports on May 2 as follows:

The following article from the United States Federal Reserve Bulletin compares war taxation of the United Kingdom, Canada and the United States.

In the United Kingdom the relative importance of excise and income taxes remained about the same, while in the United States and to a lesser extent in Canada the relative importance of income taxes increased while that of excise taxes decreased. Personal income taxes in the United Kingdom and in Canada are much higher than in the United States.

This picture remains basically the same if comparison is drawn between taxes net of refunds and if adjustments are made for differences in the treatment of dividend incomes.

Corporation profits after tax rose substantially above their prewar level in the United States and remained practically unchanged in the United Kingdom. It appears that the profit picture for Canada fell somewhere between that for the United States and that for the United Kingdom.

The level of sales and excess taxes is substantially higher in the United Kingdom and Canada than in the United States. For the last fiscal year—1943 for the United Kingdom and Canada; and 1944 for the United States—approximately one-half of the output of each country was purchased by the government, war expenditures, the share being perhaps somewhat larger for the United Kingdom and somewhat smaller for Canada.

Severity of Tax Effort

Taking this share as general measure of the magnitude of the fiscal task to be performed we may conclude that the severity of tax effort needed was of about the same order for the three countries. Taking an aggregate of the fiscal years 1941 to 1943 for the United Kingdom and Canada and the fiscal years 1942 to 1944 for the United States, we find Canada covering 52 per cent of its expenditure—adjusted to include certain extrabudgetary items—by taxation, followed by the United Kingdom with 46 per cent and the United States with 36 per cent. Looking at the most recent fiscal year available we find the United Kingdom and Canada in lead with 49 per cent, followed by the United States with 42 per cent.

Gross national prices has more than increased over the 1939-40 level in the United States by 70 per cent and that of the United Kingdom by 40 per cent. But tax rates have been increased sharply, and all three countries experienced substantial increase in portion of national income absorbed by taxes. State and local as well as Federal taxes are included in this comparison. The United Kingdom maintaining a lead throughout took up 42 per cent—fiscal year 1943—of its national income in taxes as compared to—an estimated 32 per cent for the United States fiscal year 1944.

The increase in this ratio above its prewar level as measured in percentage terms for the United Kingdom and the United States are about equal. It should be noted that the prewar level of taxation in the United Kingdom was by far the highest. With respect to the present overall level of taxation, it is clearly the highest in the United Kingdom and the lowest in the United States. With respect to increase in the level of taxation Canada and the United Kingdom cannot easily be rated, but they are both substantially ahead of the United States.

Made Drastic Changes

Enormous increase in total tax yields was accompanied by equally drastic changes in the composition of the tax structure of the three countries. In the United Kingdom receipts from individual income tax and from excise expanded at about the same rate. As percentage of the total they both declined as a result of the introduction of corporate taxation in the form of excess profits tax. In the United States the share contributed by individual income tax rose from one-fifth to nearly one-half while that of excise taxes declined from two-thirds to one-fifth. As in the United Kingdom, the share contributed by taxes on corporate income increased with the imposition of the excess profits tax. In Canada, changes in the tax structure were in the same direction as in the United States, but the share of excises decreased less and that of individual income taxes increased less.

To some extent varying emphasis upon different tax sources reflects differences in budgetary situation before the war and in economic developments during the war, but it also reflects conscious differences in wartime tax policies.

The United Kingdom having entered the war with high income and excise taxes, found it necessary to expand its tax frontiers in all directions with the result that relative shares contributed to total budget by personal income and excise taxes underwent little change. Taxes on corporate income, largely on excess profits, increased no less drastically than did taxes on individual income. They supplied about 40 per cent of increase in Canada and in the United States but only 20 per cent in the United Kingdom.

Additional Tax

In the United Kingdom corporation income is taxed under excess profits tax only, while here and in Canada additional tax is imposed on corporation. Gross rate of excess profits tax is 100 per cent in the United Kingdom and in Canada as against 90 per cent here, but the net of postwar refunds all three are close to 80 per cent. In all three countries income exempt from excess profits tax may be determined with reference to income received in base period.

In the United States a tax payer has an option of alternative method determining credit as a certain rate of return on invested capital. All three countries make provision for the expansion of capital over base period level and permit reconstruction of the base period income in cases where incomes in that period were abnormally low.

The United Kingdom provided for unlimited carry forward and carry back of losses and of unused excess profit credits; in the United States losses and credits may spread over five years, while in Canada this period is limited to two years. Numerous other relief provisions are provided for in each country.

All three countries impose special excise taxes and custom duties on numerous other commodities. In the United States and Canada this group supplies about 40 per cent of the total sales tax yield but less than 20 per cent in the United Kingdom where many of the items come under the higher rates of purchase tax.

Rate comparison again shows the Canadian rates to be higher in most cases, particularly if an allowance is made for the fact that in many cases Canadian excise rates apply an additional 8 per cent sales tax rate. On the whole it is clear that the level of sales and excise taxation—as that of income taxation—is substantially higher in the United Kingdom and Canada than in the United States.

NATIONAL INCOME TAXES AND GOVERNMENT EXPENDITURES
(In millions of U.S. Dollars)

(Fiscal year 1938-39)

	Nat'l income	Total taxes central local	Central taxes exp.
United States	nil	nil nil	nil
United Kingdom	2,210	5,800 4,800	5,800
Canada	4,300	900 4,500	550

Central government taxes as percentage of expenditures: United States, nil; United Kingdom, 86; Canada, 82.

Total taxes as percentage of national income: United States, nil; United Kingdom, 26; Canada, 21.

1939-40	Nat'l income	Total taxes central local	Central taxes exp.
United States	74,100	14,400 5,700	9,300
United Kingdom	21,700	4,900 —	—
Canada	4,200	900 450	650

Central government taxes as percentage of expenditure: United States 61; United Kingdom 30; Canada 69.

Total taxes as percentage of national income: United States 19; United Kingdom 27; Canada 21.

1940-41	Nat'l income	Total taxes central local	Central taxes exp.
United States	84,500	16,900 7,700	13,900
United Kingdom	24,200	7,700 6,800	16,160
Canada	4,800	1,200 700	1,150

Central government taxes as percentage of expenditures: United States 55; United Kingdom 42; Canada 61.

Total taxes as percentage of national income: United States 20; United Kingdom 32; Canada 25.

1941-42	Nat'l income	Total taxes central local	Central taxes exp.
United States	106,400	23,000 13,400	24,300
United K'dom	27,000	10,600 9,700	20,000
Canada	5,700	1,800 1,250	*2,400

* Includes 700 million dollars loan to the United Kingdom not included in the budget. If this item is excluded, the tax to expenditure ration becomes 71.

Central government taxes as percentage of expenditures: United States 39; United Kingdom 47; Canada 52—includes 700 million dollars loan to the United Kingdom not included in the budget.

Total taxes as percentage of national income: United States 22; United Kingdom 39; Canada 32.

1942-43	Nat'l income	Total taxes central local	Central taxes exp.
United States	135,100	32,400 22,700	29,800
United K'dom	29,500	12,400 11,500	23,000
Canada	6,600	— 2,000	4,100

Central government taxes as percentage of expenditures: United States 28; United Kingdom 49; Canada 49.

Total taxes as percentage of national income: United States 24; United Kingdom 42; Canada 36.

Fruits of Wisdom

To live is not merely to breathe, it is to act; it is to make use of our organs, senses, faculties, of all those parts of ourselves which give us the feeling of existence. The man who has lived longest is not the man who has counted most years, but he who has enjoyed life most. Such a one was buried a hundred years old, but he was dead from his birth. He would have gained by dying young; at least he would have lived till that time.—Rousseau.

* * *

Prosperity is the touchstone of virtue for it is less difficult to bear misfortunes, than to remain uncorrupted by pleasure.—Tacitus.

* * *

The mind that is much elevated and insolent with prosperity, and cast down by adversity, is generally abject and base.—Epicurus.

* * *

Short sentences drawn from long experiences.—Cervantes.

SONGS FROM PRISON

By MAHATMA GANDHI

Friend, know this,
That love bringeth arduous watching, hardship and sorrow:

Yet, if thou hast tasted love,
All things are thine:

This, only this, remember,
Love may not be hoarded up,
Love thou must hand on.